GOVERNMENT OF ANDHRA PRADESH
A B S T R A C T

Suits – Arbitration – An amount of Rs.91,71,369/-as full and final settlement of claims in O.S.No.370/1995 on the file of the First Senior Civil Judge, City Civil Court, Hyderbad in respect of the work relating to "Construction of Banakacherla Regulator Compex at KM 16.395 of SRMC" entrusted to M/s S.V.Contractors, Engineers & Contractors, Secunderabad, vide Agreement No. No.15/SE/ 88-89 dated 14.09.1988 – Sanctioned – Orders – Issued.

WATER RESOURCES (ARB) DEPARTMENT

G.O.MS.No. 91 **Dated:03.09.2015.**
Read the following:-

1) From the Hon'ble High Court of A.P. Hyderabad judgement dt. 07-03-2011 in C.C.C. A No.145 of 2005.
2) From Managing Partner, M/s S.V.Contractors, Engineers and Contractors, representation dated 11-4-2011
3) From the Engineer-in-Chief (I)Hyderabad, Lr.No. ENC (I) / DCE (GDS) / OT2 / AEE4 / ARB / BRC Complex at Km 16.395,dt.1-06-2015

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ORDER:-

The Engineer-in-Chief (I) Hyderbad in his letter 3rd read above, has reported that the work relating to "Construction of Banakacherla Regulator Compex at KM 16.395 of SRMC" entrusted to M/s S.V.Contractors, Engineers & Contractors, Secunderabad, vide Agreement No. No.15/SE/ 88-89 dated 14.09.1988.

2. The contractor had filed a petition on 16.03.1995 vide O.S. No.370/95 for the above work in the Court of Additional Judge, City Civil Court, Hyderabad with certain claims. All the claims put forth by the contractor were rejected earlier and to that effect a counter was filed by the then Superintending Engineer, SRBC Circle No.1, Nandyal on 10.02.1996 in the City Civil Court, Hyderabad. The learned Hon'ble Judge, City Civil Court, Hyderabad had not appreciated the evidence and stand taken by the Department and the cerain claims were awarded together with interest at 12% PA from the date of affidavit ,i.e., dt:21.09,1994 till the date of decree ie., 15.04.2003 and 6% PA from the date of decree till realization vide order, dated: 15.04.2003.

3. Aggrieved by the above, the department has filed an affidavit vide CCA No.145/2005 before the Hon'ble High Court of A.P. The Hon'ble High Court have granted interim conditional stay in the petition filed by the contractor vide CMP No.480/2005 in CCA No.145/2005 and directed the Department to deposit half of decretal amount and full cost of suit on 15.07.2005. Based on the directions of the Hon'ble High Court of A.P. Government have sanctioned an amount of Rs.95,31,059/- and the same was deposited in the City Civil Court, Hyderabad.

4. Further the Hon'ble High Court of A.P., Hyderabad while disposing the CCA No.145/2005 on 7-03-2011 has directed the respondent-claimant to appraoch the Principal Secretary of the Department concerned by filing appropriate application within a period of three weeks. On filing which, the said authority shall make an effort to conciliate and settle the claims within a period of three months from the date of filing the application. In pursuance of these directions and on receipt of the representation from the Contractor, the matter has been referred to the Conciliation Committee concerned as constituted for the purpose vide G.O.Rt.No.792, dated 4-12-2014. The Committee has submitted its report.

5. After examination of the Committee report, all the disputed claims have been negotiated with the contractor in the Conciliation meeting held on

(PTO)

31-05-2015. During the meeting, he has expressed his willingness to accept the lumpsum amount of Rs. 91,71,369/- as full and final settlement of all the claims including interest and given a letter of acceptance.

6. After careful examination of the entire matter, it has been decided to accept the claim offered by the Contracting firm. Accordingly, Government hereby accord sanction of an amount of Rs. 91,71,369/ (Rupees Ninety One lakhs Seventy One Thousand Three Hundred and Sixty Nine only) as full and final settlement of all the claims including interest in O.S.No.370/95 on the file of the First Senior Civil Judge, City Civil Court, Hyderbad in respect of the work relating to "Construction of Banakacherla Regulator Compex at KM 16.395 of SRMC" entrusted to M/s S.V.Contractors, Engineers & Contractors, Secunderabad, vide Agreement No. No.15/SE/ 88-89 dated 14.09.1988, subject to condition that the above said contracting firm should withdraw all legal proceedings pending in the Courts in respect of the above work against the Govt., or its representive Officer after realization of sanctioned amount .

7. The expenditure sanctioned in para (6) above shall be debitable to the detailed Head of Account under "4700-01-123-TGP-GH-11-SH(27)-530/531 Other Expenditure (Charged).

8. The Chief Engineer (P) Irrigation, Kurnool is directed to deposit the above sanctioned amount to the credit of O.S.No.370/95 on the file of the First Senior Civil Judge, City Civil Court, Hyderbad for avoiding further legl complications in the matter. He also directed to obtain a declaration on a notarized affidavits from the above Contracting firm stating that he shall withdraw all legal proceedings in respect of work covered under O.S.No.370/95 against the Government of Andhra Pradesh or its representative officer after realization of accepted amount. Further, he is also directed to instruct the disbursing officer concerned to obtain declaration from the above contracting firm accepting the amount as full and final settlement of all its claims before deposting the above sanctioned amount in the respective court.

9. This order issues with the concurrence of Finance (W&P-II) Department vide their U.O.No. 11487/169/W&P-II/15, dated 17.08.2015.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

ADITYA NATH DAS
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Chief Engineer (P) Irrigation, Kurnool
The Superintending Engineer, TGP Circle , Nandyal
The Accountant General, A.P. Hyderbad
The District Treasury Officer, Kurnool
The Pay and Accounts Officer, Nandyal
M/s S.V.Contractors, Engineers and Contractors, Plot No.4, Softwate Units Layout,HITEC City, Madhapur, Hyderabad 500 081

Copy to
The P.S. to Minister (Water Resources)
The P.S. to Prl.Secretary , Water Resources Department
The Law (A) Deptt.,
The Finance (W&P-II) Department
The Water Resources (P&B) Department with a request to release LOC/authorization for the expenditure sanctioned above.

// FORWARDED :: BY ORDER//

SECTION OFFICER